

energy. No, American consumers did what consumers do: they pumped the \$1.07 gas in their cars, they drove a little more, and maybe bought a car that burned a little more gas and got a little less mileage than they might have otherwise and looked at that as something that was going to go on, cheap gas into perpetuity.

But we know that those situations have a way of coming home to roost. We are the beneficiaries of an energy policy that was driven globally by capital investment of American oil companies and the people who invested in those American oil companies. And the import oil that was coming in was coming in to America cheap. But today it is a different environment. That environment has turned.

And as we saw our prices go up during Katrina and Rita, when our refineries were shut down, down in the gulf coast, a good number of our platforms were wiped out in the hurricanes in the gulf coast and a large percentage of America's energy supply was shut down during and in the aftermath of Katrina. It took us a while to get back on line, and it is going to take us a while longer to get our production back up to where it was prior to Katrina. Some of the refineries are not back up to speed yet; and some of the platforms, I understand, are not quite up to speed yet either.

So we don't have the American supply of either oil or natural gas coming that we had prior to Hurricane Katrina, and yet there is work to be done. We passed some energy bills here in the last couple of years. We passed two that I recall. One of them addressed the situation of not having enough refineries. But in the United States we have not built a new oil refinery since 1976. Now, that works out to be 30 years, Mr. Speaker, without building a refinery.

It is true we have expanded some of the ones we had, but we have also shut down a significant number of those that we had. Our ability to refine our oil for our consumption here in the United States has diminished to where we cannot meet that demand of refining all of our own today. And that is an important component. It is important we are able to refine all the oil that we consume in America, that we produce and consume in America. That gives us at least a modicum of independence from the price of foreign oil.

So we took some steps here in this Congress to site some new refinery locations and to provide so that we could build those refineries and get them up on line. It takes a little while to do that. We just initiated that, and along came Rita and Katrina, and it set us back again. So we find ourselves in this situation where our domestic supplies have been reduced at the very time that the threat of violence around the world has slowed down some of the oil supply that is coming through, and it has diminished the optimism of the investor market.

I look at what is going on in Iran, for example, and the nuclear threat that they have become. They have clearly stated to the world over and over again, we are going to enrich our uranium, and they claim that they have. They put on a play where they had dancers dancing around on the stage each with a vial of enriched uranium to demonstrate that their 164 centrifuges are now producing this enriched uranium. And they need dozens and perhaps hundreds more to be able to produce a large enough quantity to produce a bomb.

But if they are telling the truth about their ability to enrich the uranium, and I believe they are; and if they are telling the truth about their conviction to move forward to develop a bomb, and I believe they are, then it is just a matter of time. And the time question is whether it is months or years before they get to that point where they will be able to have a nuclear weapon.

It was just announced this morning that they have purchased the means to deliver it, a means that would give them as much as a 2,000 mile range if they could put a nuclear warhead on top of the missiles that they allege and announced today that they have acquired from North Korea. So this is a serious threat to the world, and not just the peace of the world. It is a threat to the survival of Israel. And that, Mr. Speaker, might be another subject; but it is a threat to the entire energy production and delivery system of the world.

So we have a rogue nation, an evil empire, if they are not quite an empire yet, Iran, which is sitting on those massive supplies of oil and developing nuclear capability because, they claim, at least they used to claim, that they need a nuclear capability to generate electricity in Iran. That an oil-rich nation would develop a nuclear capability to generate electricity never was a believable allegation, especially when you are considered a nation that doesn't have the ability to refine its own crude oil for the gas that goes into the cars they drive around in cities like Tehran.

One would think, if they wanted to move into the future world, they would do so by building refineries so they could refine the crude oil that they pump out of the ground in Iran, burn the gas and the diesel fuel in the nation of Iran, and export a refined product rather than a crude oil product. But, no, Mr. Speaker, their priorities went towards developing a nuclear capability.

It has put the world on notice that we are at great risk today, and that risk is missiles that will soon be aimed at, if not today, aimed at places like Tel Aviv, probably not Jerusalem right away. But the threats to annihilating Israel will force them, I think, to take action if there isn't some other solution.

Well, the energy world is looking at this volatile situation in Iran, and they

understand that Israel cannot, if they are going to survive as a nation, sit back and wait and walk through this diplomatic jungle and allow Iran to have a nuclear capability. They cannot wait. And we here in the United States must also take a responsibility to eliminate a nation's ability to conduct a nuclear strike against their neighbors. This cannot be tolerated.

Yet as the world markets look at this, they understand also the risk that there will be some military action someday in Iran. If that action takes place, and some say when that action takes place, there is a high risk that the oil production out of that region between Iran and potentially Iraq could be shut down. If that is shut down, there will be a tremendous impact on the energy prices all over the world.

That tremendous impact will affect the global prices for oil that are now at all-time highs and have gone from, not very long ago, \$15 a barrel to, the last I checked, \$75 a barrel. And you think how can we have \$3 gas? Well, think in terms of \$75 a barrel and there is 42 gallons in a barrel. When it gets up to \$84 a barrel, if you have 100 percent gas out of a barrel, then you would still be at \$2 just to purchase the crude. Then you would have to go through the refinery process and peel out the oil and the diesel fuel and pay for the energy consumption that it takes to crack out a gallon of gas. But \$3 gas is not a price gouge if you are buying the oil at \$75 a barrel.

I will say, in defense of the oil companies, that they have invested their capital. They have done the research and development. They have done the field exploration. They have identified their reserves of oil. And when they have done so, that has been their capital that was invested. They had to invest on the prospects of being able to find new oil fields and then expand their wells into those and set up a distribution system that could come back to the market. And in this process of doing that, they need to make a profit if they are going to have the capital to do any more exploration.

So I am not one, Mr. Speaker, that would say that we should put a windfall profit tax on the very people that are producing the most oil for us, because they are the ones that are contributing to the overall supply of energy. And those that contribute to the overall supply of energy are the ones doing the most to keep the price down, Mr. Speaker.

So a windfall profits tax acts in the opposite direction. If I am Enron, for example, and I made \$10-something billion in a quarter, and if we are making noises from the floor of this Congress like, way to go, Enron, you produced a lot of oil and we know you made some money; we hope you invest that back in oil exploration in places in the world so that there is a supply for us this year, next year, a decade from now, a generation from now, so that oil comes